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"Jocelyn Webster"  
<jwebster@gwb43.com>  
01/19/2007 02:39 PM

To tessa.truesdell

cc

bcc

Subject FW:

History: This message has been forwarded.

Please do not email this out or let people see it. It is a close hold and we're not supposed to be emailing



it around. Thanks! Post Election Presentation.ppt

W-02-0310

John B.  
Horton/A/CO/GSA/GOV  
01/26/2007 01:27 PM

To "Scott Jennings" <S.Jennings@gwb43.com>  
cc  
bcc  
Subject: Re: today's meeting at GSA

Do you know where the room is? We can come and get you if needed....

----- Original Message -----  
From: "Scott Jennings" [S.Jennings@gwb43.com]  
Sent: 01/26/2007 01:23 PM  
To: John Horton  
Subject: Re: today's meeting at GSA

Cool- we are here..

-----Original Message-----  
From: john.horton [REDACTED]  
To: Scott Jennings  
Sent: Fri Jan 26 12:59:26 2007  
Subject: today's meeting at GSA

Scott:

we are excited about you coming to GSA at 1:30 today - as Jocelyn may have told you, we are meeting in room 5141.

Just a little note for you to think about for your talk with the team here - I think you could really help us out with morale issues by taking a second to give encouragement to our political team, especially the Administrator - Lurita Doan. She has been beat up pretty badly in the press because of internal leaks and the DC nasty games that are being played on the Hill and inside GSA career ranks, and some words of support and/or encouragement to her leadership from you would really go a long way.... it looks to be a tough two years with the stakeholders on the hill, and would be good to hear some positive words from the WH -

See you in a few!

JB

W-02-0432

Tessa A. Truesdell  
----- Original Message -----

From: Tessa A. Truesdell  
Sent: 01/19/2007 04:04 PM  
To: Jason Donow  
Cc: Chris Brooks; Christine Chisholm; Whitney Roberts  
Subject: Re: Room reservation

Jason-

I just heard back from the presenter, and as much of the information is highly sensitive, he would prefer not to email it. Can you test the system using a sample presentation? I've attached one for your use.

Thanks!

[attachment "DHSch3part2.ppt" deleted by Jason M. Donow/IOC/CO/GSA/GOV]

Tessa Truesdell  
Confidential Assistant to the Administrator  
General Services Administration

Desk: [REDACTED]

Cell: [REDACTED]

Jason M. Donow/IOC/CO/GSA/GOV

Jaso  
n M.  
Donow/I  
OC/CO/  
GSA/GOV  
To: Tessa A. Truesdell/A/CO/GSA/GOV@GSA  
cc: Chris J. Brooks/CONTRACTOR/IOC/CO/GSA/GOV@GSA,  
Christine L. Chisholm/WPG/RW/GSA/GOV@GSA, Whitney L.  
Roberts/A/CO/GSA/GOV@GSA  
Subj: Re: Room reservation  
ect  
01/19  
/200  
7  
01:30  
PM

Tessa,

We have successfully done the video conferencing with regional participation, but we have not introduced the Powerpoint element yet. It is possible, but we'll need a rough draft of the Powerpoint to make sure it displays well on the screen. We need to test the presentation output using the video bridge provided by FTS (now FAS). We also need contacts for all the Regional Administrators to request video phone numbers to create the connection prior to the call.

If you have any questions, please contact Chris Brooks at [REDACTED]

Thank you,

W-02-0008

James A.  
Williams/Q/CO/GSA/GOV  
08/27/2006 03:13 PM

To Lurita A. Doan/A/CO/GSA/GOV@GSA, John F.  
Phelps/A/CO/GSA/GOV@GSA  
cc  
bcc  
Subject Re: Expiration of SUN Schedule Contract

I am scheduled to meet with the Sun Federal president for a few minutes during the offsite in Baltimore just so he can tell me they are walking away. I will see what can be done to resurrect the partnership, but it sounds like it is unlikely to continue any time soon.

Jim

----- Original Message -----

From: Lurita A. Doan  
Sent: 08/27/2006 02:24 PM  
To: John Phelps; James Williams  
Subject: Re: Expiration of SUN Schedule Contract

This is truly unfortunate: there will be serious consequences felt across FAS since SUN now intends to run most of its business through SEWP.

Lurita  
Lurita Doan  
GSA Administrator  
Sent from my Blackberry  
Have A Great Day!

----- Original Message -----

From: John F. Phelps  
Sent: 08/27/2006 02:21 PM  
To: Lurita Doan  
Subject: Fw: Expiration of SUN Schedule Contract

Lurita: Wasn't sure whether you'd seen this or not. Looks like Jim's prediction came true. JP  
-----Forwarded by John F. Phelps/A/CO/GSA/GOV on 08/27/2006 02:20PM -----

To: John F. Phelps/A/CO/GSA/GOV  
From: Marty Wagner/M/CO/GSA/GOV  
Date: 08/25/2006 03:29PM  
cc: david.blbb [REDACTED], david.drabkin [REDACTED], Jon K. Anderson/XAP/CO/GSA/GOV@GSA, James A. Williams/Q/CO/GSA/GOV@GSA, Pat A. Brooks/FCI/CO/GSA/GOV, Patricia L. Pierson/FCI/CO/GSA/GOV@GSA, Jeffrey A. Koses/FXC/CO/GSA/GOV@GSA, Bobbi L. Conde/F/CO/GSA/GOV@GSA, Carolyn A. Phillips/F/CO/GSA/GOV@GSA, Karen J. Hampel/FEI/CO/GSA/GOV@GSA, Laura J. Stanton/TRP/CO/GSA/GOV@GSA, Maureen E. Lyons/F/CO/GSA/GOV@GSA, lenny.loewentritt [REDACTED]  
Subject: Expiration of SUN Schedule Contract

John,

G-14-0009

As you may know, we were not able to reach a meeting of the minds on our Schedules contract with SUN. In essence, we could not achieve good enough prices and a process for keeping them current that met the requirements for inclusion in a Schedule

The SUN Schedules contract will end on August 31. A press release is in process for Lurita's concurrence as well as a letter to customers at our level.

We have been over this at some length and do not take this action lightly. Fortunately, most agency customers who use SUN go through resellers and are not directly affected by this. This includes DoD's Enterprise Software Initiative. Nonetheless, there will be a customer impact that we will attempt to mitigate.

We regret that we could not come to an agreement.

Marty

Marty Wagner, Acting Deputy Commissioner  
Federal Acquisition Service  
U.S. General Services Administration  
2200 Crystal Drive, Room 1100, Arlington, VA 22202  
[REDACTED]  
[REDACTED]

G-14-0010

## Calendar Entry

**Meeting**☐ Notify me☐ Mark Private☐ Pencil In**Subject** Phone Call from Jim Williams, Sun Microsystems

**When** Starts Wed 08/30/2006 12:30 PM  
 Ends Wed 08/30/2006 01:00 PM 30 mins  
☐ Specify a different time zone

**Invited** The following invitees have been invited  
**Invitees** Required (to) John F. Phelps/A/CO/GSA/GOV@GSA  
 Optional (cc) martha.duncan [REDACTED]

**Chair** Lurita A. Doan/A/CO/GSA/GOV  
**Sent By** Meghan C. Espinoza

**Where** Location 6137  
 Reserved No rooms or resources have been reserved

**Categorize**

**Scheduler** [Click to see invitee status](#)

**Description**

G-14-0011



Lurita A.  
Doan/A/CO/GSA/GOV  
09/09/2006 03:28 PM

To "Larry Allen" [REDACTED]  
cc  
bcc  
Subject Re: Sun Follow up [REDACTED]

Dear Larry,

Just a head's up: I believe that the SUN relationship with GSA is back on solid ground again. Jim Williams and his team, as well as SUN's willingness to negotiate, have yielded a true success for the American taxpayer. Thanks so much for your quick alert to me that there was an issue and thus giving GSA an opportunity to resolve.

Have a great weekend!  
Lurita

Lurita A. Doan/A/CO/GSA/GOV

Lurita A.  
Doan/A/CO/GSA/GOV  
09/07/2006 09:30 AM

To "Larry Allen" [REDACTED]  
cc  
Subject Re: Sun Follow up

Thank you also for alerting me. I feel confident that with Jim Williams' involvement, an agreement will be reached to everyone's satisfaction.

Cordially,

Lurita

Lurita Doan

GSA Administrator

TEL: [REDACTED]

Sent from my Blackberry  
Have A Great Day!

----- Original Message -----

From: "Larry Allen" [REDACTED]  
Sent: 09/07/2006 09:08 AM  
To: Lurita Doan  
Subject: Sun Follow up

Mrs. Doan - I understand that new life has been breathed into the Sun situation. They are meeting with Mr. Williams today, among other things. I understand that a new deal is indeed possible within the 30 day time frame you have envisioned.

Thanks for any help you provided.

Larry Allen  
Executive Vice President  
Coalition for Government Procurement

G-14-0006



MODE - MEMORY TRANSMISSION

START-JUL-19 16:48

END-JUL-19 16:49

FILE NO.=396

STN NO. COMM. ADDR NO. STATION NAME/TEL NO. PAGES DURATION  
001 OK 2 [REDACTED] 002/002 00:00:23

-BUN

\*\*\*\*\* -WASHINGTON DC - \*\*\*\*\* 202 833 1828- \*\*\*\*\*

1990 M ST. NW, 7th Floor  
Washington, DC 20036

<http://www.BWNI.com>

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An iVillage Company

# Fax

To: Lunita Doan	From: Edie Fraser
Company:	Email: [REDACTED]
Phone: cell [REDACTED]	Phone: [REDACTED]
<input checked="" type="radio"/> Fax [REDACTED]	Fax: [REDACTED]
<input checked="" type="radio"/> Data 1	Pages: 2 (including cover)
<input type="checkbox"/> Urgent <input type="checkbox"/> Requested Information <input type="checkbox"/> Please Reply <input type="checkbox"/> Please Recycle	

Based on this, GSA will ~~issue~~  
a Purchase Order

Work to be completed by 9-30-06

An IVillage Company



# CONFIRMATION OF SERVICE ORDER

**Service:** Produce a Best Practices report – to profile the best practices in GSA Contracting for minority and w  
owned business and publish a data report with case studies.  
**Fee:** \$20, 000  
**Term of Service:** Project to be completed by September 30, 2006

## Description of Service:

### RATIONALE:

GSA has major achievements that deserve to be recognized. The benchmarking will assist in moving to the next steps or plateaus.

### TASK:

Produce a report with data and case examples, show progress and significance of where GSA stands and its deep commitment to the fut

### PROCESS:

- Work with GSA Small Business Utilization, Felipe Mendoza and team to assess data and examples
- Summarize the data, gain the best practices and produce the profiles and product.
- Estimate is that this is approximately 24 pages in length (To be determined)

### TASKS:

1. Interview and work with GSA on its data
2. Queries as to what is historical data, 2005 results and projections on targets for fiscal 2006 and beyond
3. Gain examples especially in WOB, MBD (Hispanic, African-American, Asian-American), Veterans, HUB Zone
4. Profile case studies for the report and share photos
5. Gain sign-off for the report
6. Make recommendations for how to use the report
  - Internal distribution
  - Internet and Internal web and e mail to GSA employees
  - External distribution (review options)
7. Consider all of the venues to further showcase leadership
  - i.e. Administrator addressing VA, ARMY and Air Force June 27th in Las Vegas
  - i.e. Other agency events and venues such as GSA is doing with DOE
  - i.e. SBA events and support
  - i.e. MED-Week
8. Consider media opportunities for showcasing results and contractors and highlighting employees of GSA

### Purchasing Customer/Client:

Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Company Name: \_\_\_\_\_  
Street Address: \_\_\_\_\_  
City, State, Zip Code: \_\_\_\_\_  
Phone: \_\_\_\_\_ Fax: \_\_\_\_\_  
E-mail: \_\_\_\_\_

By signing this Confirmation of Service order, you agree to pay our fee for the services described above within thirty (30) days of recei  
invoice(s) and we can use your company logo and other materials submitted by you in connection with your membership.

### Customer/Client:

Signature: \_\_\_\_\_ Date: \_\_\_\_\_  
Diversity Best Practices:  
Signature: \_\_\_\_\_ Date: \_\_\_\_\_

PAG 00024

Please fax this signed Confirmation of Service order to Sandy Strzyzewski at 202-466-5292 within 48 hours of receipt.

To complete your order, also mail the original signed Confirmation of Service order to the Public Affairs Group, Inc., 1990 M Street, NW  
700, Washington, DC 20036, Attn: Sandy Strzyzewski.

7. Consider all of the venues to further showcase leadership
  - i.e. Administrator addressing VA, ARMY and Air Force June 27th in Las Vegas
  - i.e. Other agency events and venues such as GSA is doing with DOE
  - i.e. SBA events and support
  - i.e. MED-Week
8. Consider media opportunities for showcasing results and contractors and highlighting employees of GSA

Purchasing Customer/Client:

Name:

Title:

Company Name:

Street Address:

City, State and Zip Code:

Phone:

E-mail:

LURITA DOAN

Administrator

GSA

1300 E Street, NW

Washington, DC

Fax:

20007

By signing this Confirmation of Service order, you agree to pay our fee for the services described above within thirty (30) days receiving an invoice(s) and we can use your company logo and other materials submitted by you in connection with your sponsorship and any media used to commemorate (i.e. videos, photos, recordings) the sponsored event or publication.

Customer/Client:

Signature:

Date:

iVillage:

Signature:

Date:

Diversity Best Practices:

Signature:

Date:

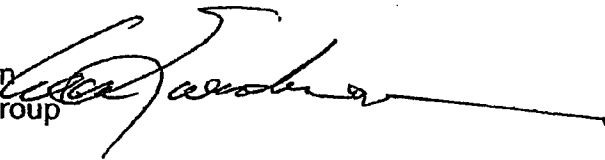
Please fax this signed Confirmation of Service order to Sandy Strzyzewski at 202-466-5292 within 48 hours of receipt.

To complete your order, also mail the original signed Confirmation of Service order to the Public Affairs Group, Inc., 1990 M Street, NW, Suite 700, Washington, DC 20036, Attn: Sandy Strzyzewski.

PAG 00025

## MEMORANDUM

To: John Phelps  
From: Alan Swendiman  
Re: Public Affairs Group  
Date: August 3, 2006



John,

1. Felipe Mendoza called this afternoon to inform me that his office is receiving calls from the program manager at the Public Affairs Group requesting information so that they can begin work under the contract executed July 25, 2006. I advised Mr. Mendoza not to return the calls.
2. It would appear that either the Public Affairs Group has not been notified that the contract is terminated or the program manager has not been so informed.
3. If this is the case, the contract must be terminated immediately and in writing.
4. Attached is a proposed termination letter to be transmitted both by facsimile and certified mail.
5. If the Administrator would prefer not to sign the letter herself, a contract officer can do so.
6. Please advise me when a notice of termination for convenience of the government has been transmitted.

Lurita A.  
Doan/A/CO/GSA/GOV  
08/04/2006 11:42 AM

To John F. Phelps [REDACTED]  
cc  
bcc

Subject Re: Termination of Diversity Contract

History: This message has been replied to.

Okay.

Now, for the next step: the SOW. Who is doing that, Felipe or Edie?

And, I think it would be helpful if you put either Felipe, Tauna or David Bethel (one, not all) as the point person to move this forward and let the other two know who's got the lead, since I think we have quite a few cooks now stirring this broth.

Thanks,

Lurita

Lurita Doan

GSA Administrator

Sent from my Blackberry

Have A Great Day!

John F. Phelps

From: John F. Phelps  
Sent: 08/04/2006 11:29 AM  
To: Lurita Doan  
Subject: Re: Termination of Diversity Contract

Lurita: Done. JP  
Lurita A. Doan/A/CO/GSA/GOV

Lurita A.  
Doan/A/CO/GSA/GOV  
08/04/2006 11:23 AM

To John F. Phelps [REDACTED]  
cc

Subject Re: Termination of Diversity Contract

Sounds like a good plan.

Lurita

Lurita Doan

GSA Administrator

Sent from my Blackberry

Have A Great Day!

John F. Phelps

From: John F. Phelps  
Sent: 08/04/2006 11:21 AM  
To: Lurita Doan  
Subject: Termination of Diversity Contract

Lurita: I'm going to have Donna Hughes--our in-house contracting officer-- terminate order in writing to keep this straight. Will regroup internally with staff. I will also let Edie's folks know--they (Kevin Briscoe and Sandy Strzyewski) have placed several calls this morning asking about getting started. I will simply

tell them that we have more work to do on our end before moving forward. JP

**REDACTED**

**From:** Edie Fraser [REDACTED]  
**Sent:** Wednesday, September 08, 2006 10:34 PM  
**To:** luritad@ [REDACTED] Lurita.doan@ [REDACTED]  
**Subject:** Lurita Doan and GSA

**Native American Meet and Greet:**

They all were thrilled. Loved how you reached out and tried to get action items.  
Major progress and salute to your leadership.  
Glad to meet Emily Murphy and others as well from GSA family

Hispanic are ready

Disabled are ready

African American in process

Asian American in process

Lurita, I will do anything for you and will do for the rest of my life.  
Bottom line, want relationship with GSA and will keep delivering as you know.  
But I have spent so much time at GSA from the report planning to these sessions with ZERO \$\$  
How do we solve

Edie Fraser, president, Diversity Best Practices, BWN, BPCC  
[REDACTED]

Diversitybestpractices.com; BWNI.com

1/30/2007

PAG 000309

26 July 2006  
3:29pm  
saved

**FACT SHEET  
SUN MICROSYSTEMS**

**Background:** The base 5 year period of the SUN contract expired August 2004. The contract has been temporarily extended several times over the past 2 years while either the audit review was conducted or because of on-going negotiations. GSA and SUN are currently at an impasse to make an award for the remaining 3 years of the 1<sup>st</sup> five year option period. The issues numbers 1 and 2 (identified below) are at impasse. Issue three has not reached the impasse stage but appears to be headed in that direction and therefore has been brought to your attention. The IG has conducted a post award review or is in the process of completing the review which is investigating serious defective pricing issues that the Department of Justice (DOJ) has an interest in.

**Issue 1 - Price Reduction Clause as proposed by SUN.**

One of the goals for GSA in the negotiation stage of the contract was to try and clarify and simplify the application and understanding of the Price Reduction Clause (PRC) as it applies to the contract. One of the concerns by the audit team was that an effective price reduction clause be built into the contract.

Throughout the process, from audit review to obtaining current discount information (CSP data), SUN has indicated that they do business on an

[REDACTED]

Part of the negotiation process is for both parties to agree on what will constitute a price reduction. SUN has been adamant about having a PRC that is based on a

[REDACTED]

The Contracting Officer has found this PRC offer to be unacceptable for the following reasons:

- 1) As mentioned above all reviews and information indicated that SUN had discounted [REDACTED]

G-14-10382



- 2) The solicitation calls for the CO to be notified of any price reduction subject to this clause as soon as possible, but not later 15 day's. SUN wanted "prospective application" (meaning going forward with the new discount) which would be applied after a six month review. SUN indicated that because of revenue recognition that the books close on a quarterly basis therefore, they can't make any adjustments until the next quarter. GSA countered with prospective application on a quarterly basis. A six month waiting period for a price reduction is unacceptable.

### **Impact**

1. In the post award audit, which covered 1999 to 2005, we have forfeited \$70.4 million in reseller price reductions and \$7.04 million in GSA contract price reductions (Total \$77.44 million) by having an ineffective price reduction clause. For the remaining three years on the extension option, if we accept SUN's proposed price reduction clause, we estimate we will lose a minimum of \$13.1 million in reseller price reductions and \$1.31 million in GSA contract price reductions (Total \$14.41 million). In all, the Government overpaid an estimated \$77.44 million during 1999 to 2005. For the next 3 years remaining on the option, we project a total overpayment of \$14.41 million by our customers. If the SUN option is awarded with an ineffective price reduction clause, we risk unrecoverable damages of \$14.41 million over the next 3 years. Furthermore, if GSA agrees to effectively granting SUN an exemption from the price reduction clause, we risk negatively impacting the auditor's position with DOJ.
2. The integrity of the Price Reductions Clause is likely to be compromised. While the legal office does not object to tailoring the price reductions clause, a 'gutting' of the clause is not acceptable based on policy. While statute does not require a PRC, as a policy matter, the Center will need to be prepared to accept such similar terms from other vendors.
3. The government could lose money by paying more for product because we did not keep pace with SUN's commercial customers, namely end-users.

### **Issue 2 Support Services – Maintenance**

G-14-10383

Due to the interest by DOJ, the contracting officer has attempted to stay close to the audit recommendations as much as possible concerning the discounts. Maintenance (support services) is the top seller under the SUN contract. SUN has

numerous GSA resellers that offer products and estimates are that most of the business for SUN on the products side runs through resellers. Auditors and the previous contracting officer indicated that GSA needed to achieve a discount level [REDACTED]. According to the audit report this was the average discount for five tracking customers proposed by SUN.

The audit team identified over 230 commercial customers receiving discounts in excess of the [REDACTED] offered to GSA. Based on audit recommendations, the contracting officer's objectives were established as follows: high level of [REDACTED], medium objective [REDACTED] and the low objective of [REDACTED].

GSA conveyed the high goals to SUN and SUN countered with a [REDACTED] increase up to [REDACTED] discount. SUN has not moved off the [REDACTED] discount. The contracting officer indicated that since SUN and GSA were closer on hardware and software then maybe both sides could move forward in that direction. Upon additional discussions by the GSA team members, it was decided that GSA would try to bring support services back into the offer. SUN countered with an offer that would in effect amend a previously negotiated agreement. The contracting officer found the aforesaid counter proposal to be unacceptable.

SUN has made it clear that they will not offer discounts higher than the previously proposed [REDACTED]. Under the terms that SUN has proposed it appears that an award of maintenance is doubtful as the contracting officer cannot determine [REDACTED] discount to be fair and reasonable.

### Impact

1. See reasons under Issue 1 Impact.
2. Over the life of the contract, since 1999, SUN has sold over \$70 million in maintenance service to our customers. Therefore a large number of customers will need to find another source for SUN maintenance.
3. Currently, there are several resellers under schedule 70 that provide some form of SUN maintenance Service. If Maintenance Service is not awarded under the SUN contract due to a non-determination of price reasonableness, the resellers who offer SUN maintenance will either be required to offer better discounts or SUN support services will be cancelled from the resellers' contract.
4. Our customers will therefore be required to procure maintenance service on the open market.

G-14-10384

**Issue 3 Data Rights FAR 52.227-14**

SUN has taken exception to the Data Rights Clause listed in the solicitation. The clause is FAR 52.227-14. After extensive discussions and upon receiving advice from GSA counsel, the contracting officer offered to leave the FAR clause in the contract but have a statement underneath along the lines of "this clause does not apply to SUN since SUN does not offer professional services". SUN has responded that the status is still "open" and that it "requires further clarification and discussion with GSA on intent of this clause and its understanding." The contracting officer has suggested that both legal counsels work on this issue to resolve their concerns.

**Conclusion**

We are at an impasse in negotiations over the price reduction clause and maintenance support. To accept SUN's proposal would not be in the best interest of the Government.

The contracting officer is extending the SUNContract period of performance through September 30, 2006 while SUN attempts to develop a counter position that will address SUN's concerns as well as protect the interest of the Government. In the likelihood that this does not occur, this contract will expire on September 30, 2006. One additional short extension may be required so that we can notify the customers that SUN is no longer a schedule contractor if an option agreement cannot be reached.

G-14-10385